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# Gentrification in Vilnius (Lithuania) – the example of Užupis

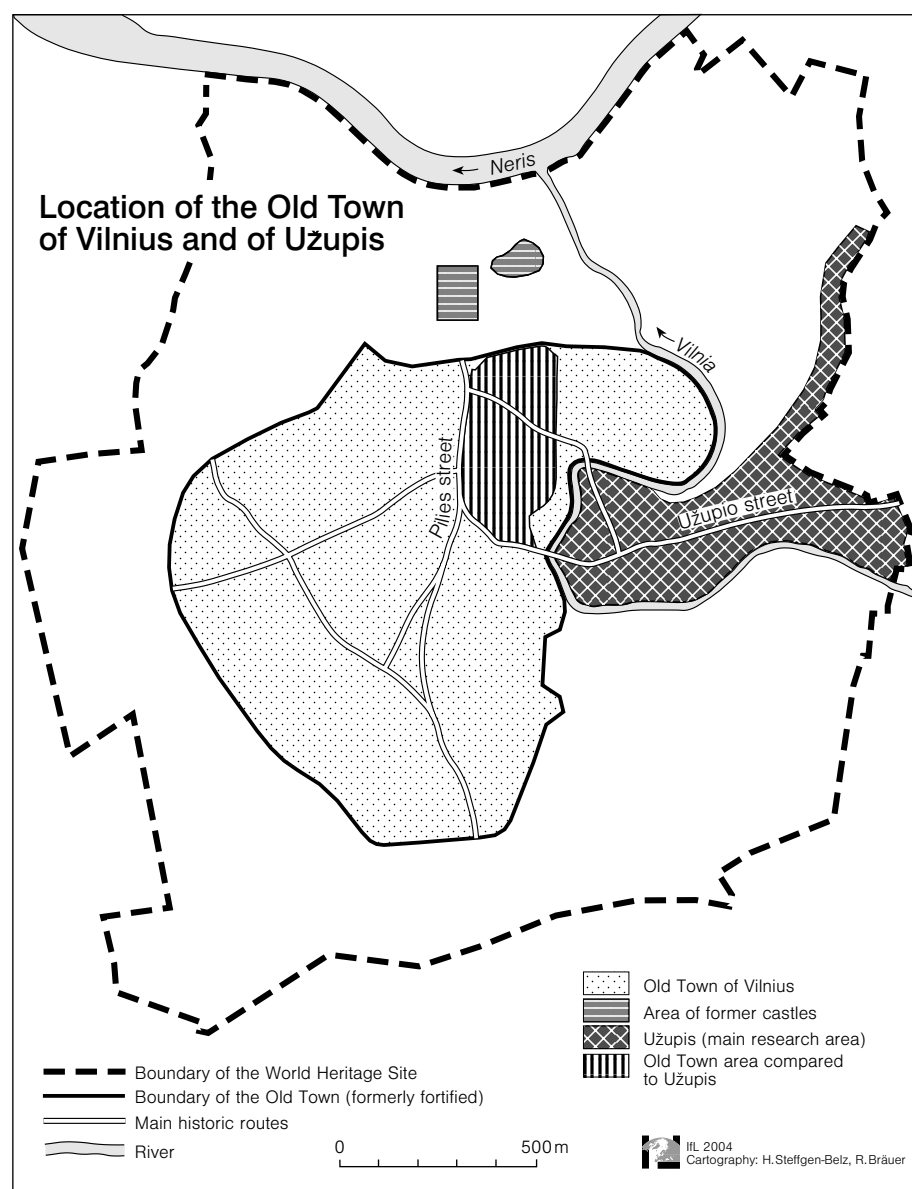
HARALD STANDL and DOVILĖ KRUPICKAITĖ

## Introduction

“With the fall of the iron curtain and the economic liberalization that followed, gentrification has also become a feature of eastern European cities ...” (LEES 2000, p. 390), but in the meantime, not much research has been done to analyse the process, and publications on this topic are still rare. However, due to the studies prepared, for example by HARDTH, HERLYN and SCHELLER (1996), WEISKE (1996) or HERFERT (2003), the knowledge of changes in some East German cities is quite good. The fieldwork for this research-project on Vilnius was done in July and August 2003 with the help of students at Vilnius University, Dept. of Geography and supervised by the authors. Approx. 260 households were interviewed in two different parts of the historical centre of Vilnius (see *Map 1*), especially in the middle-age suburb of Užupis (200 interviews). The control-area (60 interviews) is located in the Old Town, east of Pilies (Castle) street. The questions focused on living-conditions of the inhabitants and on recent socio-economic changes. Due to the fact that each point can not be presented in detail, this paper will show the main trends occurring in Užupis, with specific reference to those trends in the centre of the Old Town of Vilnius, providing that extreme structural differences can be observed. The main goal is two-fold: 1) To determine if gentrification has already started and 2) to analyse what stage of development has been achieved in restructuring the historical part of the Lithuanian capital twelve years after Lithuania gained independence from the Soviet Union.

## History of the Old Town of Vilnius

The name of Vilnius was first mentioned in 1323 in a letter written by Gediminas, the Grand Duke of Lithuania, addressed to European cities and



*Map 1: Location of the Old Town of Vilnius and of Užupis*  
Source: Vilnius Old Town Revitalisation... 2003

sovereignties, inviting merchants, craftsmen and representatives of the Catholic Church to Vilnius, to build up a town next to his newly founded castle. In fact, the number of inhabitants in Vilnius increased rapidly, especially after the final defeat of the Livonian (German) Order in 1410, which led to the long-lasting political stability and rise of Lithuania as a leading power in Eastern Europe. Vilnius was its capital

until the merger of Lithuania and Poland in 1569. “After the Great Fire of 1471 new streets were built and in 1503 - 1522 a five gate defence wall was erected, enclosing the most densely populated part of the city and protecting it from possible Tartar invasions.” (Vilnius Old Town Revitalisation ... 2003, p. 5). The area south of the Vilnia and Neris confluence covered 300 ha. In 1579, the Vilnius

University was established, which still dominates the northern part of the Old Town (west of Pilies street). Although Vilnius had lost its political power to Warsaw, it had developed into a cultural centre of the large Middle and North European Region, famous for its religious tolerance and diversity. Besides the community of the Catholic Church (and the Jesuit Order), the Jewish community was most active. At the end of the 19th century, approx. 100 synagogues and religious schools existed in Vilne (the Jiddish name for Vilnius). The town was first called "The Jerusalem of the North" by Napoleon, as the legend says, on his campaign to Russia. The majority of inhabitants spoke Polish and lived in quite poor circumstances. During the 18th century, the small class of rich aristocrats donated money for erecting impressive churches, built in Baroque style. After the third and last division of the Lithuanian-Polish state in 1795, the majority of Lithuania went to Russia and Vilnius became a province-centre ruled by a General Governor. Shortly thereafter (in 1799 - 1805), the defence wall and its gates were destroyed. But the most harmful period for the town was during World War II. Under Nazi-German occupation, two large ghettos were established and subsequently destroyed in 1943 when, during the Holocaust, their inhabitants were killed in the surrounding forests. The genocide served to drastically influence the urban structure of the Old Town. After the occupation by the Soviet army and the integration of Lithuania into the USSR, Vilnius became the capital of a newly created Soviet Republic. But due to the fact that the Jewish community had been extinguished and many Polish inhabitants had taken flight, the majority of the buildings stood empty at the end of World War II. The area of the former ghettos was cleared from its burnt down ruins and partly built up into a modern (or a-historic) functional style. Socio-economically weak individuals from the surroundings of Vilnius and even from Belorussia and Russia moved into the remaining houses in the Old Town, which contributed to its long lasting period of decline. Although three separate plans for renovating the Old Town were drafted during the Soviet Period (in 1958 -

1959, 1972 - 1974 and 1988 - 1992), only small amounts of money were invested for repairs such as patching roofs and walls or repairing windows and doors. In the beginning of the 1990s, most of the buildings in the Old Town of Vilnius, which had been nationalized or expropriated during Soviet time, were in deplorable sanitary condition or even uninhabitable.

What happened to the real estate in 1991, the year of national independence? Although a restitution law was passed on June 18, giving those individuals who had up-to-date Lithuanian nationality and a permanent residency the chance to lay appropriate claims to regain illegitimately lost titles, less than 200 residential buildings were returned to their former owners in Vilnius (STANDL 2002). In most cases, only various churches could gain beneficence from this kind of restitution of property rights. Furthermore, the Lithuanian legislation invoked extensive exceptions as well as requirements in order to provide restitution by national compensatory payments. But most of the buildings underwent the so-called 'Mass Privatisation', under the "Law on Privatisation of Flats" (May 28, 1991). In the course of this extremely accelerated privatisation process the past tenants were shifted into an unprecedented state of legal affairs. So-called 'Investment Cheques', distributed for free to the inhabitants of Lithuania by the state, could be used to acquire new dwellings at a relatively inexpensive price. After privatisation, the new owners were then allowed complete freedom to decide on the use of their new dwelling, including options to rent, lease or even resell the dwelling.

This form of mass privatisation of former state property was accomplished in Lithuania quickly and consistently. As a result, a rapidly growing real estate market emerged (STANDL 2003). But still, the market for leasing flats and houses in Vilnius (and in Lithuania overall) was not significant. In fact, only a few foreign companies rented apartments for their employees. The buildings which were not denationalised, usually consisting of uninhabited or otherwise unusable houses in the Old Town of Vilnius, remained in possession of the municipality. Although the structural condi-

tion of these buildings was often in extreme disrepair, they nevertheless often stood under protection as historical monuments or ensembles and could not be torn down. Hence, at the beginning of 1996 nearly 120 buildings remained unused and in disrepair in the Old Town, (i. e. without windows, doors or a waterproof roof). In the meantime, a large number could be renovated (partly by using foreign loans) under supervision of the municipality and sold afterwards to investors. As a result, the central part of the Old Town (around Pilies street as the main N-S-axis) underwent a fast economic revitalisation during the mid 1990s (STANDL 2002, 2003), boosted by a growing number of international tourists visiting the impressive churches and profound buildings with their magnificent courtyards.

### **Some special aspects of the medieval suburb Užupis**

Užupis is the oldest suburb of Vilnius, located on a hill east of the (formerly) walled Old Town. The picturesque relief was formed by a meandering of the small river called Vilnia. Historians believe that Užupis had already existed as a settlement long ago, but the suburb was first mentioned in the 15th century in a foundation-document of a monastery. The special location of Užupis, separated from the lower Old Town by the river, but connected by two, and later, three bridges leading to two different town gates, resulted in a relatively different socio-economic development in a unique (sub-)urban structure. The main street-axis (in direction W-E), today known as Užupio and Polocko street, was a part of an important route as far back as the middle-ages, connecting Vilnius with famous Russian trade-centres like Vitebsk und Polotsk. Since the 17th century, the upper part of this main street in Užupis belonged to the Russian Orthodox Church. Many clerical officials lived there in stone buildings. The eastern banks of the Vilnia were settled by craftsmen who used the water power for production of wooden, iron and leather goods. They usually lived in small wooden houses, which remain partly standing until now.

During the end of the 19th and the beginning of the 20th century, rich

inhabitants of Vilnius recognized Užupis as an attractive place to live with its beautiful views of the Old Town, especially from the northern slope. They erected villas mainly along Užupio street, where a tramway-line was established to connect the suburb with the centre of the city. But still this quarter was more socio-economically separated from, rather than integrated with the rest of the town.

This very special infrastructure of Užupis became even more diversified with the opening of the new building for the Academy of Fine Arts in 1981. Hundreds of students graduated from this academy, and many were fascinated with Užupis, both by the liberal atmosphere and by the opportunity to occupy empty houses waiting for them. Thus, they were the first entrants in the beginning process of gentrification. Many others followed their example and moved to Užupis, intensively changing the social structure of the quarter.

#### **The influence and results of the "Vilnius Old Town Revitalisation Program"**

After the historic city centre of Vilnius was included into the UNESCO World Heritage List in December 1994, there came an increase in international and national political pressure on local authorities to renew and revitalise the Old Town. In 1995, the Republic of Lithuania – in the name of the City of Vilnius – successfully appealed to the International Bank for Reconstruction and Development (IBRD) for technical and financial assistance to prepare the urgently needed "Vilnius Old Town Revitalisation Strategy". In 1995 and 1996 an international group of Danish, Scottish and Lithuanian experts, supported by the Norwegian and Danish government as well as by the Edinburgh Old Town Renewal Trust, worked on this planning document, covering aspects like architectural conservation, urban development and socio-economic upgrading. The strategy was approved by the Vilnius City Council in September 1996 and in 1997 by the Government of the Republic of Lithuania.

The following year, in 1998, the City of Vilnius established the Vilnius "Old Town Renewal Agency" (OTRA) and commissioned it with the task of

preparing annual programs for Old Town revitalisation like the development of infrastructure which included the repair of street lights, and also allocated subsidies to renew the façades and roofs of Old Town buildings. One of the main problems caused by mass-privatisation of flats in 1991 and 1992 was the fact that the legislature (until July 2001) had not managed to address the questions of who was to be financially and effectively responsible for executing repairs on the façades and roofs of the multi-family-buildings. Due to that omission, the owners and inhabitants of the private houses were not very motivated in spending money on repairing the façades of their buildings. As a result, most of the houses in the Old Town of Vilnius exhibited unsightly staircases, roofs and cellars which were in very bad disrepair. However, in order to benefit from the subsidies, private homeowners had to sign partnership agreements with OTRA, stating that they would indeed invest the money in the renovation of their homes along with the restoration of the rest of the building. This method proved to be a successful vehicle in encouraging the owners of flats to spend money on repairing the whole building, instead of executing repairs only on their own apartments. The results achieved since 1998 are summarised in the "Old Town Revitalisation Programme ... 2003". The majority of public money invested (1999: 22 Mio. LTL or 5.5 Mio US \$; 2000 - 2002: Approx. 4 Mio. LTL or 1,160 Mio. EURO per year) was allocated from the State budget. The strategy was to primarily upgrade the most frequented part of Vilnius' Old Town, especially along the tourist routes and later to upgrade the periphery of the town to make it more attractive. In the year 2000, the renovations in Užupis commenced (see below).

#### **The philosophy of the pioneers and the creation of a new image: "The Free Republic of Užupis" and "The Montmartre of Vilnius"**

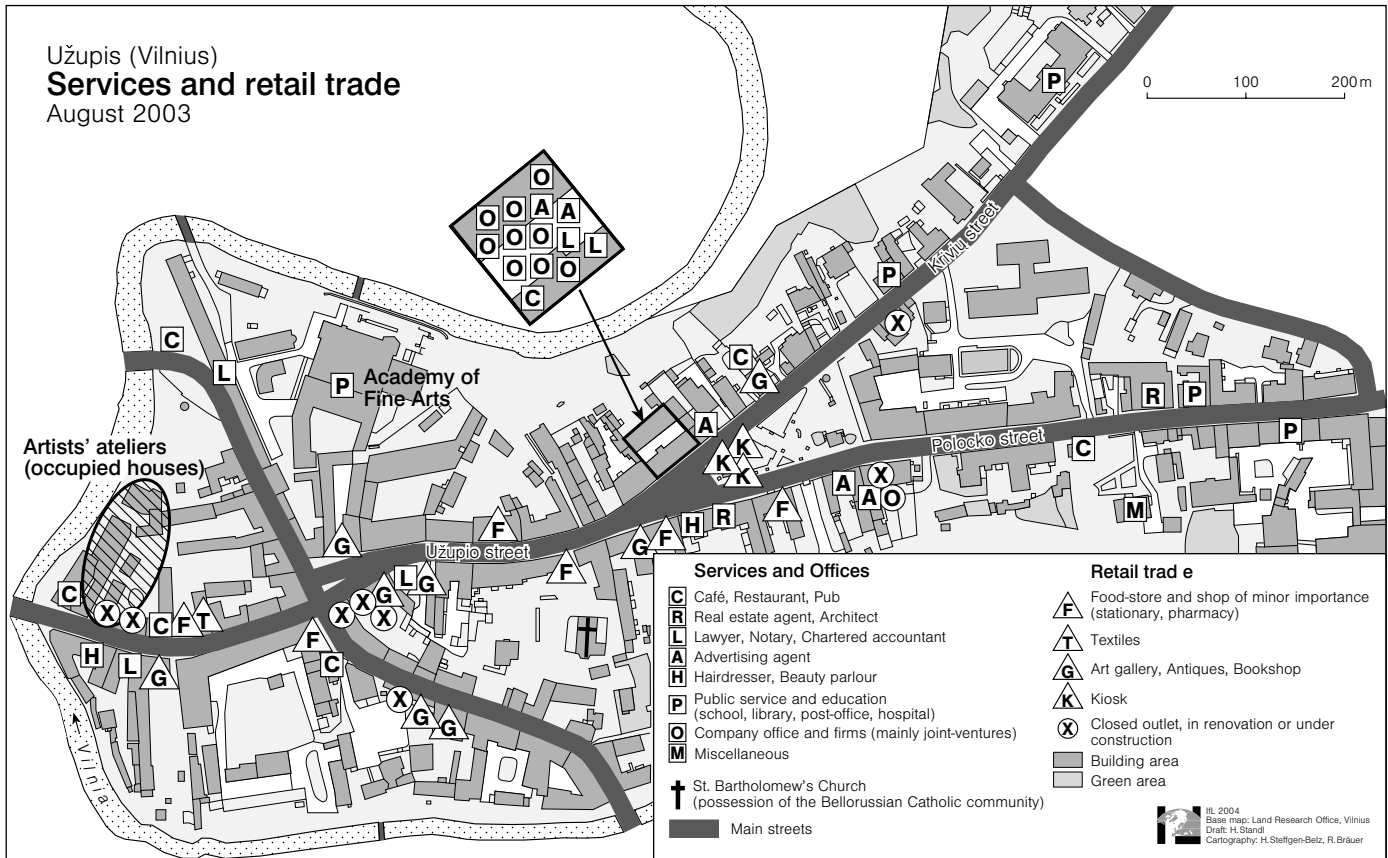
In the beginning of the 1990s, artists, who liked to live here already before World War II, (re-)discovered Užupis. One of them was Mr. Romas Lileikis, the recent "President" of the "Repub-

lic of Užupis", which was founded in 1998. Looking for "authenticity", "peace" and "nature", he was one of the first newcomers in an urban area that had an extremely bad reputation. Only "social outsiders" were living there at that time, which made it "the highest and lowest place in Vilnius" (high in topography and low in society), with a community of inhabitants "waiting for changes". But the self-defined role of an artist like Romas was not a missionary one, but rather of self-realization.

After he was unlucky in finding a house on the top of the hill, Mr. Lileikis decided to live near the river Vilnia as a symbol of the "circle of nature" of "constancy and change", which also "creates an island" inside the urban space. Anyway it was cheap to live in Užupis, and the pioneers had no money to expend. Thus, many followed Romas' example and simply occupied empty houses, mainly along the romantic river, located near the Academy of Fine Arts (see *Map 2*). The reaction of the "autochthonic" people at first was quite reserved, at best, and sometimes even aggressive, at worst. "They were afraid that we were going to destroy their world, and some of them even attacked me with knives. My car was broken up several times by vandals, but due to the fact that I constantly spoke to my neighbours in Russian, I was able to create an atmosphere of trust and tolerance. Anyway, I tried to integrate myself in their society" (Romas Lileikis).

But the most helpful aspect in Mr. Lileikis eyes was the fact that the people of Užupis recognized that the prices for flats in Užupis were increasing. Selling an apartment or a house could be a profitable deal, especially for an impoverished homeowner. On the other hand, a buyer could make a small fortune in finding a seller, who was extremely short of money or unable to realize the market value of his flat. (Until now, there are rumours that alcoholics lost their home for some bottles of vodka to "clever guys").

During the second half of the 1990s an alternative community grew and increasingly diversified when new groups of different lifestyles, such as a youth subculture known as "punks", invaded.



Map 2: Location of services and retail trade outlets in Užupis (August 2003)

Source: Author's field work

Cultural events were celebrated in Užupis to attract visitors from other parts of town, as potential buyers of art, presented in small exhibitions. The more guests came, the more there was the need to be better organized for such events and festivals. In 1998, a group of artists birthed an idea to build a new monument in the main square, replacing a long lost sculpture relief of St. Mary. They also created a constitution for a free "Republic of Užupis" to show a philosophy to the rest of the world that there is an "island of peace and freedom for everybody". Although most paragraphs in this constitution were largely written in jest it nevertheless included many human rights (and those of animals). To collect money for the new monument, the "Statue of an angel", designed by a local artist, the members of Užupis "parliament" celebrated the first "Day of Independence" on April 1, 1998. This was also the day, when the "constitution" was officially declaimed. To this day, a procession still moves through the streets of "the Republic" every year on April 1, integrating many different groups of participants from pupils of

local schools and inhabitants of Užupis to guests from other parts of the town. During the day of celebration open-air concerts and films are presented and the artists of the town dress outlandishly. In April 1, 2003, the "Republic of Užupis" symbolical joined the European Union and the "Užupis-EURO" was printed, which could be exchanged at the "Border-Checkpoints". Guests were able to buy beer using only the new kind of currency. The previous year, the monument of "The Angel" made of Chinese marble, was unveiled as well as a stone-plate with the inscription of

the constitution-text in Lithuanian and English. In the meantime, the informal parliament of Užupis also introduced a calendar for all the events celebrated during the year, marking another step in formalizing the low-budget and non-profit marketing of "The Republic of Užupis" (Photo 1).

The "Republic" even has some honorary freemen. The most popular of them is the Dalai Lama, who visited Vilnius in June 2001 and supported the idea of a peaceful Užupis by accepting the title. The "Republic's" parliament and cultural

*Photo 1: The Angel of Užupis, a monument designed by a local artist, erected in 2002. At the same time, the main road (Užupio St.) and also the façades of the surrounding buildings were painted with the support of the Vilnius Old Town Renovation Agency (OTRA). In the quarter, many art galleries, cafés and restaurants were opened recently.*

Photo: STANDL 2003



Year	1998	1999	2000	2001	2002	2003	total
Number sold	117	68	41	62	78	79	445
Average price per sq meter (LTL)	1,261	1,837	1,742	1,794	1,82	2,158	1,725
Min. price per sq meter (LTL)	379	365	346	619	609	825	–
Max. price per sq meter (LTL)	3,201	3,026	3,942	4,754	4,132	4,831	–

Tab. 1: Number of flats sold in Užupis and average price achieved per square meter (1998 - 2003)

Source: Data calculation by Register of Land Property, Vilnius

Annotation: While the Lithuanian currency (LTL = Lithuanian Litas) was directly connected to the US \$ until 2001 (1 US \$ = 4 LTL), the exchange-rate since Jan. 1, 2002 is fixed to the Euro (1 € = 3,4528 LTL).

centre is a pub on Užupio street, located at the entrance to Užupis, next to the bridge over the Vilnia in a neighbourhood containing approx. a dozen ateliers. The (mainly young) artists had occupied most of these buildings illegally in 1997/1998. After a difficult fight with the municipality, they were recently successful in gaining official leasing contracts, limited to a period of five years. Many of the artists not only work here, but also live an alternative lifestyle. This high concentration of ateliers and the newly opened art-galleries on Užupio street (next to the "Angel") has led to a new image of this quarter, as the "The Montmartre of Vilnius". This title of honour might sound a bit too ambitious, but the community of artists keeps informal contacts with colleagues in Paris.

Since Užupis was intensively promoted by the artists, the public opinion towards this place shifted from "dirty", "socially low", "very (Belo-)Russian" and "full of alcoholics" to "quite interesting" and "charming". The middle class and even some rich, young businessmen or national TV stars found it "chique" to move to this quarter. Thus, a second wave of intruders, now real gentrifiers, started to flow into Užupis since 1998.

#### The main motives of the new inhabitants to move to Užupis

A third of all households in Užupis have moved there since 1991, the year of independence from the Soviet Union. In the reference-area of the Old Town, even 40 % are new inhabitants. On the other hand, 25 % of the people interviewed in Užupis have lived there at least 40 years, and 50 % of the total number of households have existed there more than 20 years. That is, the structure of inhabitants was quite stable before the "intruders" started to "conquer" this urban area. The recent trend in moving to Užupis

– besides some first pioneers like Mr. Lileikis – started in 1995 and has accelerated since 1998. Most of the new inhabitants (80 %) came from other parts of Vilnius (25 % from suburbs dominated by mass-housing), the rest mainly from other Lithuanian towns, which means the vast majority already had an urban background. The main reasons for leaving their former place of residence included "unattractiveness of the old flat" (37 %), "private motives" (30 %), and reasons connected to the job (9 %).

The newcomers chose Užupis because of its special "spirit" (29 %) and quality of living (28 %), while more than half of the new migrants into the Old Town moved to this area because of its unique atmosphere. As mentioned above, the vast majority of households in Vilnius live on their own property (in Užupis 88 % and in the Old Town up to 96 %). In Užupis, 22 % of all newcomers rent their flats, approx. half of them from the municipality or from their employers. Dissimilarities between the two areas studied can be found concerning the way the new inhabitants found their dwellings. Whereas in the Old Town 40 % of all the flats were transferred since 1991 via real-estate agents, in Užupis this was of minor relevance (9 %). Here, many of the flats were found through advertisements in local newspapers (28 %) or through friends (28 % as well). This result is a significant sign that the inhabited area of Užupis is still trailing in its development towards mass-gentrification. Professional real-estate agents are not as active there as they are in the Old Town, where most of their income is generated by the office-market.

#### The characteristics of dwellings

The fact that the types of buildings in Užupis are a bit smaller than in the Old Town, but contain a higher

amount of one or two-family-houses is revealed by the answers of those interviewed. One quarter of the new households in Užupis live in these kinds of buildings (double the amount of the older households!), but although the multi-family-buildings dominate in the Old Town (97 %), the average housing space is a bit higher (78 sq meter versus 71 sq meter) than in Užupis.

Table 1 shows the number of flats sold in Užupis and average prices (officially) achieved in these transactions between the years 1998 and 2003. In this period, the prices for real estate rose by more than 70 %, with the exception of the years 1998 and 2000, when due to a small economic crises in Lithuania, the number of apartments sold sank compared to the previous year. In 2003, the maximum price achieved per square meter was 4,831 LTL (or 1,400 Euro), the cheapest flats were available for only 825 LTL (approx. 240 Euro) per sq meter.

The extreme variation in dwelling costs arises from the considerable range of quality. One evident indicator for the quality of a flat is the kind of heating provided. In Užupis, nearly half the dwellings (46 %) are heated with wood or coal in old stoves. In those households existing before 1991, up to 58 % still use this kind of heating. In new households, we can find different kind of heating systems, approx. half of them traditional ones (24 % wood or coal; 20 % single stoves heated with oil) and the remaining half of them modern ones (20 % central heating with oil or gas, 15 % electric oven, and only 12 % of the households is connected to the central heating-plants built up during Soviet time); a small percentage (9 %) uses mixed systems. In the reference area in the Old Town, the situation is much better, due to the fact that nearly 40 % of all buildings is sup-



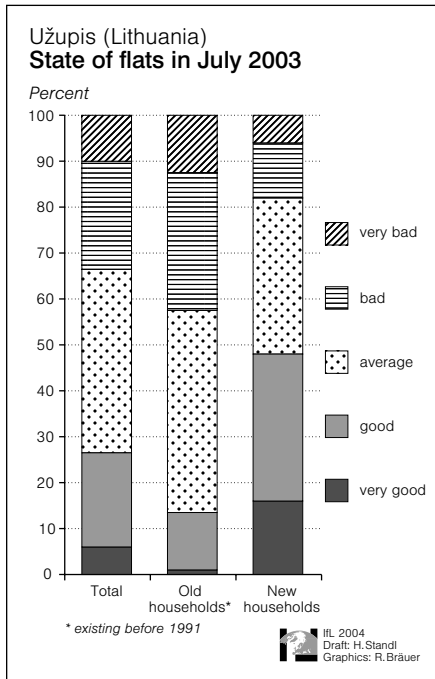


Fig. 1: State of flats in Užupis

Source: Authors' data (July 2003)

plied with steam from small power plants (built before 1991), and that one third of all the buildings now come equipped with modern central heating systems.

In general, the state of the overall buildings can differ considerably from the condition of the individual flats (see the data in Fig. 1 and 2 for Užupis). In total, 25 % of all the flats were appraised as “very good” or “good” condition, but only 12 %

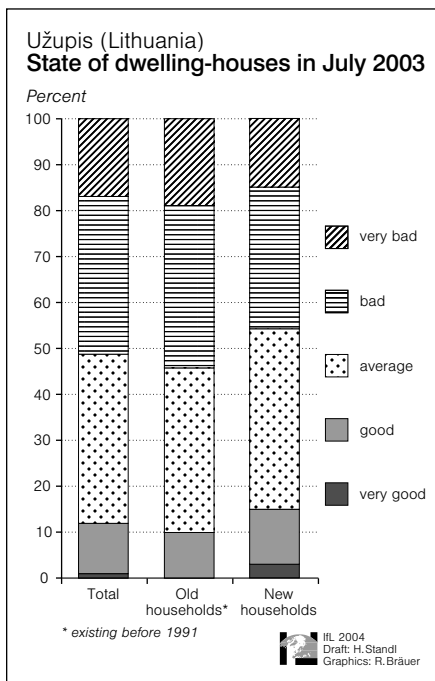


Fig. 2: State of dwelling-houses in Užupis

Source: Author's data (July 2003)

Photo 2: Many houses in Užupis are still in deplorable conditions.

Photo: STANDL 2003



Photo 3: Dozens of buildings are only uninhabitable ruins.

Photo: STANDL 2003



Photo 4: Towards the end of the 1990s students and graduates of the Academy of Fine Arts squatted empty houses near the river Vilnia, where they live and work – a situation that has now been legalised. The photo shows a film-crew during a shooting inside an atelier.

Photo: STANDL 2003



received the same appraisal regarding the dwelling as a whole. In the opinion of the inhabitants the condition of the whole house is at least “bad” (34 %) or even “very bad” (17 %). In the reference-area of the Old Town, the situation isn't much better (Photos 2 - 4).

As mentioned above, mass-privatisation of flats led to a very chaotic

situation concerning the responsibility for the public parts of the buildings (cellars, stairs, façades and roofs). This is not exclusive to the two studied urban areas, but is a general problem in Lithuania and many other east European countries. Private expenditures for improvements are usually only invested inside the flats. The rest of the building remained in as-is

condition, until the municipality decided to improve the situation (in Vilnius via public-private-partnerships). Only since July 1, 2001, the responsibility for dwelling houses is regulated by a new national law.

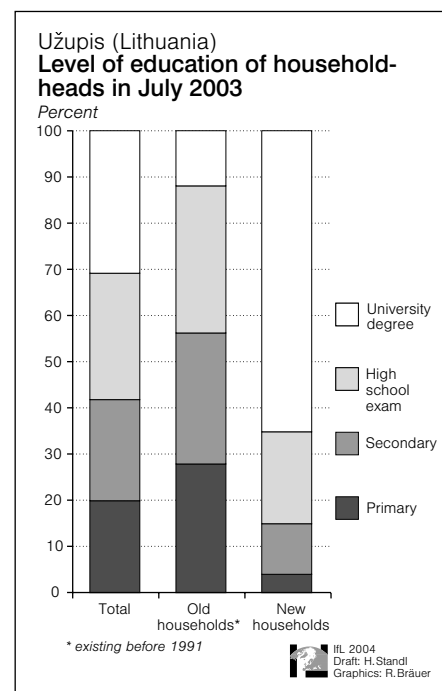
The distinctions regarding the quality of dwellings are significant between pre-existing households and more recently created ones (who moved in since 1991, *Fig. 1*). The state of flats inhabited by newcomers is much better; nearly half of them are in “good” (32 %) or “very good” condition (16 %), but those of pre-existing households are seldom rated “very good” (1 %) and only rarely “good” (13 %). Not surprisingly, only minor differences of opinion exist concerning the conditions of the building as a whole (*Fig. 2*). Generally, all the inhabitants in Užupis argued in unison that the main things in urgent need of renovations are roofs (50 %) and façades (48 %), whereas staircases (43 %) are in slightly better condition, where new households are concerned (see *Tab. 2*). The total negative ranking is followed by an interior rating for windows (42 %), floors (41 %), the walls and ceilings (34 %), water-pipes (also 34 %), electricity mains (21 %), heating-systems (18 %) and the bathrooms/lavatories (18 %). But although things in general are worse in old households, the situation in the new households is far from being called perfect, because during the last 10 years, only minor renovations were done there, too, as two out of three were not able to modernize at

all (total average: 78 %; old households: 83 %).

In light of this statistic, is it safe to say “gentrification” in Užupis is underway? Not, if we look at the status of disrepair in the city’s dwellings. But this statistic is not crucial in measuring the intensity of gentrification, especially in east-European cities, where the process of transition from planned to market economy has resulted in extreme loss of savings due to high inflation in the first half of the 1990s and to the lowered income of the middleclass. So, lack of private capital to invest in modernizing the flats is still quite prevalent in most households. For that reason, we have to look at other kind of socio-economic indicators to uncover the hidden distinctions between old inhabitants and newcomers.

### Socio-economic indicators

In western urban societies, the number of single-households is constantly growing, especially in gentrified areas, but not in Užupis, where only 17 % of all households are single (newcomers: 16 %). In contrast, the typical structure of the new households is characterized by families with one child (27 %) or two children (21 %). The average age for the head of a household is about 44 years old, as opposed to only 33 years old in new households, i.e. 17 years less than in old households (50 years). Even if we compare these results with the average length of stay in Užupis, the main trend is evident: The newcomers are



*Fig. 3: Level of education of household-heads in Užupis*

Source: Authors' data (July 2003)

much younger than the autochthonic population, with a higher portion of unmarried adults (28 % versus 20 % within the “old household” group) but also with a much higher amount of married couples (66 % versus 48 %), while 19 % of all heads of households are widowed (none in the new ones).

One of the most important features to be studied in a system of potential social transformation is the level of education. Looking at the intensity of changes since 1991 (*Fig. 3*), we can judge that at least in this aspect, there is little doubt that gentrification has taken place in Užupis, because nearly two out of three heads of “new households” (65 %) have attained a university degree (versus only 12 % of heads of “old households”) (*Tab. 3*). The same processes of social upgrading we observed from former studies on gentrification are occurring here, too. The amount of well educated and high-ranking employees living in the gentrified area is growing, as well as those of independent businessmen and artists. The latter are mainly early intruders, leading to a very mixed society in which we can also find unemployed persons (even in new households), reflecting the ongoing stressed economic situation in Lithuania. Nearly 60 % of all the old households don't own a vehicle (new ones: 24 %) therefore rendering them

Needs renovation ...	Total average (%)	Old households (%)	New households (%)
Roof	50	48	57
Façades	49	48	52
Staircases	43	50	32
Windows	42	48	32
Floors	41	51	25
Walls and ceilings	34	41	22
Water-pipes	34	39	27
Electricity mains	21	20	22
Heating-system	18	21	7
Bathroom/lavatory	18	26	3
Cellar	17	22	9
Isolation of the house	16	20	9
Others	15	15	15

*Tab. 2: Things in buildings or inside flats, which need urgent renovation in Užupis (n = 187; more than one aspect could be named)*

Source: Author's data, collected in July 2003



Profession	Total average (%)	Old households (%)	New households (%)
Worker	21	27	9
Employee/Clerk	19	14	28
Official	10	11	9
Independent businessman/Entrepreneur	6	2	14
Independent craftsman	2	1	3
Artist	4	0	12
Retired / Pensioner	18	27	3
Student / In education	7	6	8
Unemployed	13	12	14
Total	100	100	100

Tab. 3: Household-heads' professional status in Užupis (n = 187)

Source: Author's data, collected in July 2003

mostly confined to their homes (Photos 5 and 6).

Although the distances to work places (or schools, universities etc.) are very brief for most members of new households (average between 3,5 km to 2,5 km for the adults and 2,0 km for the kids), 40 % use automobiles, while only 33 % walk and 25 % use public transportation. Members of old households primarily take the local busses (41 %) or walk (38 %), and only a minor portion (20 %) use a vehicle. Mostly, newcomers choose Užupis (or the Old Town area), because it is close to the work

place in the central business district of Vilnius where 32 % of them are employed in office-type jobs.

#### The (new) inhabitants' attitude towards the residential area

Newcomers feel a measure of solidarity towards Užupis as follows: "Very strong" (10 %) or "strong" (40 %). The emotional ties of those towards their community who have lived in Užupis for a longer time is weaker: "Very strong" (also 10 %) and "strong" (32 %). On both sides, 44 % are indifferent towards this aspect. Due to the fact that the older households are,

in general, much less mobile, 58 % of this group can hardly imagine moving away from here, and 15 % would do so only under cogent circumstances. However although new households are more flexible, it is likely that half of them will stay in Užupis (32 %) or only change their living situation under forced circumstances (19 %).

Concerning the ranking of desirable features in Užupis by its inhabitants (Tab. 4), we can once again observe some differences between the group of old inhabitants and that of newcomers. For new households, the central location of the living area is of great importance (49 %) as opposed to old households (36 %). The latter group prefers a short distance between their home and other locations, such as the work place (34 % versus 17 %). Nature and environmental aspects are nearly of equal significance, while every fourth newcomer pointed out that the special spirit (image) of Užupis is of great importance for him/her, as well as peace and silence (29 %) and the architectural style of the buildings (21 %) located there.

An indication that the socio-economic gap between old inhabitants and newcomers also influences the mutual opinion is derived from the answers given to the question regarding what the interviewees dislike in Užupis. The most important aspects complained about by new inhabitants were the presence of "unsocial people" and "alcoholics" (27 %) and the fact that there are still too many ruins and a bad infrastructure (24 %) (Tab. 5). On the other hand, those people who live here for a longer time are unhappy because of an intensified traffic and a lack of parking places in the streets, both problems of growing importance to those who had spent a long time in quietness before the mid 1990s. At any rate, this group also recognizes the positive changes that have occurred, especially during the last five years (Tab. 6): Very often old inhabitants stress the fact that streets were improved (54 %) and façades or complete houses renovated (45 %). Two out of ten (mainly young people) are also happy about the opening of new cafés, pubs and restaurants, which were previously absent. A feature which is also worth mentioning for the gentrifiers is the positive changes in



Photo 5: New inhabitants of Užupis in front of a modern supermarket. The gentrifiers are mainly young middle-class families with children. In general, the household heads are well educated and hold well-paid "white-collar" jobs in the nearby central business district. Photo: STANDL 2003



Photo 6: The old woman, born in Belorussia, is an example of the "autochthonous" people. She moved to Užupis in the early 1950s, worked in one of the factories near the river, never learned the Lithuanian language, and is now forced to live on an extremely small pension in a rundown building. Photo: STANDL 2003

Aspects	Old households (%)	New households (%)
The central location of Užupis	36	49
The short distance to other locations	34	17
The nature	25	28
The whole environment	25	20
The spirit/image of Užupis	12	24
The people living here	17	15
The silence	11	29
The architecture	11	21
The good traffic connections	9	8

Tab. 4: The main aspects liked in Užupis by the inhabitants  
(*n* = 187; more than one aspect could be named)

Source: Author's data, collected in July 2003

Note: Only 8,5 % of all households named no positive aspect at all.

Aspects	Old households (%)	New households (%)
Unsocial inhabitants; alcoholics	16	27
Ruins and bad infrastructure	15	24
Intensive traffic/Missing parking places	22	11
Bad or less work done by the municipality	12	9
Neighbours in general	6	11
Too much noise	8	9

Tab. 5: The main aspects disliked in Užupis by the inhabitants  
(*n* = 187; more than one aspect could be named)

Source: Author's data, collected in July 2003

Note: More than 36 % of all households named no negative aspect at all.

Changes	Old households (%)	New households (%)
Renovation of streets	54	38
Renovation of facades/houses	45	49
Improvements in the technical infrastructure	12	25
New shops and cafés	18	22
Changes in the structure of inhabitants	4	16
Angel of Užupis	13	4

Tab. 6: Positive changes in Užupis during the last five years  
(*n* = 187; more than one aspect could be named)

Source: Author's data, collected in July 2003

Note: 27 % of all households named no positive changes.

Aspects	Old households (%)	New households (%)
Mr. Zuokas, the mayor of Vilnius	34	26
The (new) image/status of Užupis/Tourists	8	26
The inhabitants of Užupis themselves	8	19
Rich owners of real estate/Investors	5	12
Municipality and its administration	6	7
Government, UNESCO	5	1

Tab. 7: Who is responsible for the positive changes in Užupis during the last five years?

(*n* = 187; more than one aspect could be named)

Source: Author's data, collected in July 2003

Note: 42 % of all interviewed persons were not able to find an answer to this question

the social structure imported by themselves.

When asked, who is responsible for the positive changes, both groups of

inhabitants name the prominent Mr. Arturos Zuokas, who has been Mayor of Vilnius since November 2000. (Tab. 7). This young (born in 1968)

and very well educated journalist went into private business in 1994, first as general franchiser of "United Colours of Benetton" for Lithuania and in two years later also for McDonald's. He and his wife currently run more than half a dozen joint-venture companies, mainly dealing with the import of goods. In order to concentrate their offices at one place and to occupy one of the most exciting views over the Old Town, Mr. Zuokas purchased a few houses on the upper part of Užupio street, and invested a lot of money in renewing the building-complex for his own purposes. Today, many people believe that the complete renovation of the main street (Užupio) in 2001 was influenced by his political decisions, as well as the fact that many houses along this street were integrated into the Vilnius Old Town Revitalisation Programme. However, public opinion also says that the presence of Mr. Zuokas can also bring disadvantages for Užupis, as well, in that any public investment in the quarter is under very intense observation of the mass media. As a result, the Mayor has to keep his distance from Užupis in order not to be blamed for public sponsorship. However, it is obvious that many inhabitants of the quarter admire his local politics, although he and his wife are not very much integrated into the community Užupis. Like Mr. Zuokas, many other famous Lithuanians (TV-stars and actors) chose this quarter as their new residential area. Not surprisingly, the invaders also take credit for their own positive role (19 %) and the fact that the changes in the image and status of Užupis, which also pushed tourism, affected the whole area in a positive way. A large majority (80 %) of people living there did not name any negative trend to be observed during the past five years, and those that did mainly spoke about the traffic problems (12 %) mentioned above.

### New economic activities

One indication of gentrification is the upgrading of private service activities, following the new customers who previously moved in the area before. This process happened in Užupis as well. While most small shops had been closed during Soviet period, many

new ones opened here, particularly since 1998. Even one of the well known supermarket chain ("IKI") located an outlet recently on the corner of Užupio and Paupio street. In the summer of 2003, eight cafés and restaurants could be found along the main street axis (see *Map 2*), creating an active night live, and attracting dinks and yuppies from Vilnius as well as international tourists. The latter ones are also the economic basis for five art galleries, exhibiting pictures and sculptures of local artists, which also can be found in the numerous ateliers, most of them integrated in the artists' flats. Even more important in quantity are the private offices, where professional services such as lawyers and notaries (4), one architect and four marketing agents are attempting to stay in business. The most intensive concentration of enterprise offices can be found in Užupio street 30, where Mr. Zuokas and his wife are running their companies (*Map 2*). Some of the rooms are also rented by other enterprises. It is to be expected that the trend towards opening new service activities in that area will continue.

### Summary

LEES (2000, p. 397) is definitely correct in her assessment that: "Gentrification is not the same everywhere. Of course there are generalizable features, both internationally and within single cities, but there are also many important specificities that are equally important in any analysis of gentrification ..." Comparing the general phases of gentrification in living areas designed by FRIEDRICHS (1996, p. 19) with those in Užupis, many convergent trends are to be observed, along with many *divergent aspects (set off in italic letters)*.

Since 1991, when Lithuania won back its independence from the former Soviet Union, the changes in Užupis can be grouped into two periods:

#### Phase 1: Beginning of the 1990s up to the mid 1990s

- Only few households, most of them singles or without children, are moving in
- Pioneers are artists
- They actually wanted to live amongst ethnic minorities
- A high level of empty flats and run-

down buildings

- Low rents and prices for real estate
- People moving in and buying charming, but run-down houses cheaply
- *Some buildings were just occupied*
- *Retarded and inadequate renovation of the houses ("sweat equality investment"), because of the pioneers have a lack of capital even to buy the materials for repairing*

- Changes are hardly recognised by the public
- Changes are taking place in an area of two to three houses (in Užupis: occupied buildings next to the river Vilnia)

- No displacements

#### Phase 2: Mid of the 1990s (especially since 1998) through 2003

- Immigration of the same groups as in phase 1, but also households with an average income, e. g. independent entrepreneurs and professionals
- *The new group is economically not so much risk-orientated, but wants (partly) to speculate in real estate*
- Low (but slowly rising) prices for the flats are the main attraction in that area.
- *Newcomers do not refuse to be part of a social mix, but hope that the "problem" will be solved in midterm range*
- *Number of empty flats is still high*
- *The quantity of modernization in the dwelling-houses (roofs, façades and staircases in multi-family-buildings) is still low, even in gentrified ones*
- *Only few estate agents are showing their interest in the area; and not much speculative modernisation is being undertaken by small companies*

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